



## Uri L'Tzedek Board of Directors And Officers: Fiduciary Duty and Conflict of Interest Policies

1. **Scope of Policy.** This policy applies to members of the Board of Directors (hereinafter “Directors”), including the Executive Director, and to all other officers (hereinafter “Officers”) of Uri L’Tzedek. Conflicts of interest involving Uri L’Tzedek employees other than the Executive Director and the Officers are governed by the Employee Handbook (to be developed).
2. **Duty of Care.** All Directors and Officers shall exercise the same care that a reasonable person, with similar abilities, acumen, skills, training, and sensibilities would exercise under similar circumstances at all times. Directors and Officers shall undertake to understand all, or substantially all, of the consequences of their actions or the omissions of their actions.
3. **Duty of Loyalty.** No Director or Officer shall engage in, or condone, any conduct that is disloyal, disruptive, damaging or competes with the best interests of URI L’TZEDEK. No Director or Officer shall take any action, or establish any interest, that compromises his/her ability to represent URI L’TZEDEK’S best interest.
4. **Duty of Compliance.** No Director or Officer shall disobey a majority decision of the Board of Directors, unless such majority decision violates a Director’s or Officer’s clear fiduciary duty, in which case the Director or Officer must first inform the Chair and the Executive Director of the Director’s or Officer’s intended action and afford the Chair and the Executive Director a reasonable period of time in which to respond.
5. **Fiduciary Duty.** All Directors and Officers are bound by a fiduciary duty for and on behalf of URI L’TZEDEK, such that the interests of URI L’TZEDEK shall remain paramount to any and all of their personal interests to the fullest extent prescribed by law. All Directors and Officers shall exercise their fiduciary duty at all times, especially when making a decision or acting on behalf of URI L’TZEDEK.
6. **Conflict of Interest.** URI L’TZEDEK expects the undivided business loyalty of its Directors and Officers. As such, Directors and Officers shall be free from any interest, influence or relationship (either directly or through a member of their immediate family) which might conflict, or appear to conflict, with the interests of URI L’TZEDEK or the effectiveness of their job performance. Directors and Officers must, therefore, avoid any investment, gratuity or association (including business, family or non-profit), which interferes, or might reasonably appear to

interfere, with their best judgment in the performance of their job duties or the stated goals of URI L'TZEDEK. Directors and Officers should closely examine any proposed gift, loan, or other special preference offered by a person, corporation or organization that does or wants to do business or be associated, either directly or indirectly, with URI L'TZEDEK.

7. **Abstention from Voting.** Prior to voting on matters in which a potential conflict of interest exists for any Director, the Chair shall inquire whether any Director desires to abstain from voting because of a conflict of interest; and any Director whose interests may be conflicted shall declare that he or she abstains from voting on such matter. Prior to voting on any matter, a Director may be requested by any other Director to abstain from voting because of a conflict of interest. If the challenged Director refuses to abstain from voting as requested, the Chair shall immediately call for a vote of the Board of Directors to determine whether the interests of the challenged Director are conflicted and whether said Director shall for that reason be required to abstain from voting on the matter. If a majority of the Directors present votes to require the abstention of the challenged Director, that Director shall not be permitted to vote.
8. **Compensation.** URI L'TZEDEK shall not pay any compensation to Directors for services rendered as Directors, except that Directors may be reimbursed for expenses incurred in the performance of their duties to URI L'TZEDEK, in reasonable amounts as approved by a majority of the entire Board of Directors. No Director, except the Executive Director, may receive compensation for being employed full- or part-time by URI L'TZEDEK. Nothing herein contained shall preclude any Director from serving URI L'TZEDEK in any other capacity and receiving reasonable compensation therefore. URI L'TZEDEK may pay compensation in reasonable amounts to Officers and Directors for services rendered not as Director and not as full- or part-time employees, but serving in another capacity, such amounts to be fixed by a majority vote of the entire Board of Directors.
9. **Nepotism.** The spouse or children of a Director are not eligible to serve on the Board of Directors or to be employed by, contracted with, or otherwise receive compensation from URI L'TZEDEK for services rendered during such Director's term of service as a Director. Nothing herein contained shall preclude the election of a Director who has a spouse or child already employed by URI L'TZEDEK and receiving compensation. Directors are not to exercise any influence in any employment decisions regarding any relative. When a relative of a Director is hired, the Director shall notify the Board of Directors of this relationship prior to the hire.
10. **Procedure for Addressing a Conflict of Interest Not Involving Action by the Board of Directors.** When a gratuity, investment, transaction, or association of the Director or a member of the Director's family interferes or might reasonably appear to interfere with the Director's best judgment in the performance of the Director's duties and responsibilities on behalf of URI L'TZEDEK, the Director is required to disclose this actual or potential conflict of interest to the Chair. In addition, if any

Director believes that an actual or potential conflict of interest exist between any other Director and URI L'TZEDEK, that Director is also required to disclose the conflict (actual or potential) to the Chair and to the Director who may be affected by a conflict of interest. The Chair, consulting at the Chair's discretion with whomever the Chair wishes to consult, or acting on the Chair's sole initiative, will make a written determination, addressed to the potentially conflicted Director, as to whether a conflict exists or not. If the Chair determines a conflict does exist, the Chair will state in writing how the conflict may be remedied. The failure by any such Director to remedy the conflict of interest in accordance with the Chair's determination shall be cause for suspension or removal from the Board of Directors upon the recommendation of the Chair and a vote of the Board of Directors. With regard to an actual or potential conflict of interest involving the Chair, the disclosure of the conflict shall be made to the Executive Director, or, if the Chair and the Executive Director shall be one and the same, then to one or more other Officers of URI L'TZEDEK, and the Executive Director or such other Officers shall make the written determination.